

1 Annette W. Jarvis, Utah Bar No. 1649
 2 RAY QUINNEY & NEBEKER P.C.
 3 36 South State Street, Suite 1400
 4 P.O. Box 45385
 5 Salt Lake City, Utah 84145-0385
 6 Telephone: (801) 532-1500
 7 Facsimile: (801) 532-7543
 8 Email: ajarvis@rqn.com
 9 and
 10 Lenard E. Schwartzer
 11 Nevada Bar No. 0399
 12 Jeanette E. McPherson
 13 Nevada Bar No. 5423
 14 Schwartzer & McPherson Law Firm
 15 2850 South Jones Boulevard, Suite 1
 16 Las Vegas, Nevada 89146-5308
 17 Telephone: (702) 228-7590
 18 Facsimile: (702) 892-0122
 19 E-Mail: bkfilings@s-mlaw.com
 20 Attorneys for Debtors and Debtors-in-Possession

E-FILED ON DECEMBER 21, 2006

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEVADA**

In re:
USA COMMERCIAL MORTGAGE COMPANY,
Debtor.

Case No. BK-S-06-10725 LBR
Case No. BK-S-06-10726 LBR
Case No. BK-S-06-10727 LBR
Case No. BK-S-06-10728 LBR
Case No. BK-S-06-10729 LBR

In re:
USA CAPITAL REALTY ADVISORS, LLC,
Debtor.

Chapter 11

In re:
USA CAPITAL DIVERSIFIED TRUST DEED
FUND, LLC,
Debtor.

**Jointly Administered Under
Case No. BK-S-06-10725 LBR**

In re:
USA CAPITAL FIRST TRUST DEED FUND, LLC,
Debtor.

**MONTHLY OPERATING REPORT
FOR NOVEMBER 2006
(AFFECTS USA CAPITAL REALTY
ADVISORS, LLC)**

In re:
USA SECURITIES, LLC,
Debtor.

Affects:

- All Debtors
- USA Commercial Mortgage Company
- USA Capital Realty Advisors, LLC
- USA Capital Diversified Trust Deed Fund, LLC
- USA Capital First Trust Deed Fund, LLC
- USA Securities, LLC

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEVADA**

In re: USA Capital Realty Advisors, LLC

Case No. 06-10726-LBR

CHAPTER 11 MONTHLY OPERATING REPORT (GENERAL BUSINESS CASE)

SUMMARY OF FINANCIAL STATUS

MONTH ENDED: 11/30/06

PETITION DATE: 04/13/06

1. Debtor in possession (or trustee) hereby submits this Monthly Operating Report on the Accrual Basis of accounting (or if checked here the Office of the U.S. Trustee or the Court has approved the Cash Basis of Accounting for the Debtor).
Dollars reported in \$1

<u>End of Current Month</u>	<u>End of Prior Month</u>	As of April 13, 2006
\$1,669,610	\$1,465,318	
\$1,767,642	\$1,563,350	\$1,272,125
\$549,296	\$343,154	
\$670,970	\$464,828	\$125,224
Current Month		Cumulative (Case to Date)
\$162,824	\$458,217	\$1,239,923
\$1,750	\$461,467	\$1,047,357
\$161,074	(\$3,250)	\$192,566
\$154,198	\$157,448	\$122,706
\$315,272	\$154,198	\$315,272
Current Month		Cumulative (Case to Date)
(\$1,850)	(\$8,078)	(\$50,695)
\$1,354,338	\$1,311,120	
\$549,296	\$343,154	
\$480	\$0	

At the end of this reporting month:

8. Have any payments been made on pre-petition debt, other than payments in the normal course to secured creditors or lessors? (if yes, attach listing including date of payment, amount of payment and name of payee) _____

9. Have any payments been made to professionals? (if yes, attach listing including date of payment, amount of payment and name of payee) _____

10. If the answer is yes to 8 or 9, were all such payments approved by the court? _____

11. Have any payments been made to officers, insiders, shareholders, relatives? (if yes, attach listing including date of payment, amount and reason for payment, and name of payee) _____

12. Is the estate insured for replacement cost of assets and for general liability? _____

13. Are a plan and disclosure statement on file? _____

14. Was there any post-petition borrowing during this reporting period? _____

15. Check if paid: Post-petition taxes N/A ; U.S. Trustee Quarterly Fees X ; Check if filing is current for: Post-petition tax reporting and tax returns: N/A .
 (Attach explanation, if post-petition taxes or U.S. Trustee Quarterly Fees are not paid current or if post-petition tax reporting and tax return filings are not current.)

I declare under penalty of perjury I have reviewed the above summary and attached financial statements, and after making reasonable inquiry believe these documents are correct.

Date:

12/20/06

Responsible Individual

Revised 1/1/98

STATEMENT OF OPERATIONS
(General Business Case)
For the Month Ended 11/30/06

Attach an Explanation of Variance to Statement of Operations (For variances greater than +/- 10% only):

BALANCE SHEET
(General Business Case)
For the Month Ended 11/30/06

Assets		<u>From Schedules</u>	<u>Market Value¹</u>
Current Assets			
1	Cash and cash equivalents - unrestricted		\$315,272
2	Cash and cash equivalents - restricted		
3	Accounts receivable (net)	A	\$1,354,338
4	Inventory	B	\$0
5	Prepaid expenses		
6	Professional retainers		
7	Other: _____		
8			
9	Total Current Assets		\$1,669,610
Property and Equipment (Market Value)			
10	Real property	C	\$0
11	Machinery and equipment	D	\$0
12	Furniture and fixtures	D	\$0
13	Office equipment	D	\$0
14	Leasehold improvements	D	\$0
15	Vehicles	D	\$0
16	Other: _____	D	
17		D	
18		D	
19		D	
20		D	
21	Total Property and Equipment		\$0
Other Assets			
22	Loans to shareholders		
23	Loans to affiliates		
24	Investments		\$98,032
25			
26			
27			
28	Total Other Assets		\$98,032
29	Total Assets		\$1,767,642

NOTE:

Indicate the method used to estimate the market value of assets (e.g., appraisals; familiarity with comparable market prices, etc.) and the date the value was determined.

1 - The method used to estimate the market value of assets was net book value at the end of the current reporting period as market value has not been determined.

Liabilities and Equity
(General Business Case)

Liabilities From Schedules**Post-Petition****Current Liabilities**

30	Salaries and wages	
31	Payroll taxes	
32	Real and personal property taxes	
33	Income taxes	
34	Sales taxes	
35	Notes payable (short term)	
36	Accounts payable (trade)	A
37	Real property lease arrearage	
38	Personal property lease arrearage	
39	Accrued professional fees	
40	Current portion of long-term post-petition debt (due within 12 months)	
41	Other: <u>Management fees</u>	
42		
43		
44	Total Current Liabilities	<u>\$549,296</u>

Long-Term Post-Petition Debt, Net of Current Portion

45	Total Post-Petition Liabilities	<u>\$549,296</u>
----	--	------------------

Pre-Petition Liabilities (allowed amount)¹

47	Secured claims ¹	F	<u>\$0</u>
48	Priority unsecured claims ¹	F	<u>\$0</u>
49	General unsecured claims ¹	F	<u>\$121,674</u>
50	Total Pre-Petition Liabilities		<u>\$121,674</u>
51	Total Liabilities		<u>\$670,970</u>

Equity (Deficit)

52	Retained Earnings/(Deficit) at time of filing		<u>\$1,147,367</u>
53	Capital Stock		
54	Additional paid-in capital		
55	Cumulative profit/(loss) since filing of case		<u>(\$50,695)</u>
56	Post-petition contributions/(distributions) or (draws)		
57			
58	Market value adjustment		
59	Total Equity (Deficit)		<u>\$1,096,672</u>
60	Total Liabilities and Equity (Deficit)		<u>\$1,767,642</u>

NOTE:

1 - Allowed Amounts have not yet been determined and are contingent upon approval from the Bankruptcy Court. The pre-petition liabilities' amounts above reflect the claimed amounts filed on Schedules.

SCHEDULES TO THE BALANCE SHEET (General Business Case)

Schedule A
Accounts Receivable and (Net) Payable

Receivables and Payables Agings	
0 -30 Days	
31-60 Days	
61-90 Days	
91+ Days	
Total accounts receivable/payable	
Allowance for doubtful account	
Accounts receivable (net)	

<u>Accounts Receivable</u> <u>[Pre and Post Petition]</u>	<u>Accounts Payable</u> <u>[Post Petition]</u>	<u>Past Due</u> <u>Post Petition Debt</u>
\$206,042	\$100	
\$81,412	\$480	
\$81,412		\$480
\$985,472		
\$1,354,338	\$580	
<u>\$1,354,338</u>		

Schedule B
Inventory/Cost of Goods Sold

Types and Amount of Inventory(ies)

Method of Inventory Control

Do you have a functioning perpetual inventory system?

Yes _____ No _____

How often do you take a complete physical inventory?

- Weekly _____
- Monthly _____
- Quarterly _____
- Semi-annually _____
- Annually _____

Date of last physical inventory was _____

Date of next physical inventory is _____

Inventory Valuation Methods

Indicate by a checkmark method of inventory used.

Valuation methods -

FIFO cost	—
LIFO cost	—
Lower of cost or market	—
Retail method	—
Other	—
Explain	—

Schedule C
Real Property

Description	<u>Cost</u>	<u>Market Value</u>
Total	<u>\$0</u>	<u>\$0</u>

Schedule D
Other Depreciable Assets

Description	<u>Cost</u>	<u>Market Value</u>
Machinery & Equipment -		
Total	<u>\$0</u>	<u>\$0</u>
Furniture & Fixtures -		
Total	<u>\$0</u>	<u>\$0</u>
Office Equipment -		
Total	<u>\$0</u>	<u>\$0</u>
Leasehold Improvements -		
Total	<u>\$0</u>	<u>\$0</u>
Vehicles -		
Total	<u>\$0</u>	<u>\$0</u>

Schedule E
Aging of Post-Petition Taxes
(As of End of the Current Reporting Period)

	<u>0-30 Days</u>	<u>31-60 Days</u>	<u>61-90 Days</u>	<u>91+ Days</u>	<u>Total</u>
Taxes Payable					
Federal					
Income Tax Withholding					\$0
FICA - Employee					\$0
FICA - Employer					\$0
Unemployment (FUTA)					\$0
Income					\$0
Other (Attach List)					\$0
Total Federal Taxes	\$0	\$0	\$0	\$0	\$0
State and Local					
Income Tax Withholding					\$0
Unemployment (UT)					\$0
Disability Insurance (DI)					\$0
Empl. Training Tax (ETT)					\$0
Sales					\$0
Excise					\$0
Real property					\$0
Personal property					\$0
Income					\$0
Other (Attach List)					\$0
Total State & Local Taxes	\$0	\$0	\$0	\$0	\$0
Total Taxes	\$0	\$0	\$0	\$0	\$0

Schedule F
Pre-Petition Liabilities

<u>Claimed¹ Amount</u>	<u>Allowed² Amount (b)</u>
_____	_____
_____	_____
_____	_____
\$121,674	_____

List Total Claims For Each Classification -

- Secured claims (a)
 - Priority claims other than taxes
 - Priority tax claims
 - General unsecured claims

- (a) List total amount of claims even if under secured.
 - (b) Estimated amount of claim to be allowed after compromise or litigation. As an example, you are a defendant in a lawsuit alleging damage of \$10,000,000 and a proof of claim is filed in that amount. You believe that you can settle the case for a claim of \$3,000,000. For Schedule F reporting purposes you should list \$10,000,000 as the Claimed Amount and \$3,000,000 as the Allowed Amount.

Schedule G
Rental Income Information
Not applicable to General Business Cases

Schedule H
Recapitulation of Funds Held at End of Month

Bank
Account Type
Account No.
Account Purpose
Balance, End of Month
Total Funds on Hand for all Accounts

<u>Account 1</u>	<u>Account 2</u>	<u>Account 3</u>	<u>Account 4</u>
Bank of America			
Analyzed Checking			
3755532422			
General			
\$315,272			
\$315,272			

Attach copies of the month end bank statement(s), reconciliation(s), and the check register(s) to the Monthly Operating Report.

NOTES.

- 1 - Claimed Amounts reflects amounts filed on schedules and is subject to change as proof of claims are filed and further pre-petition invoices are identified.
 - 2 - Allowed Amounts have not yet been determined and are contingent upon approval from the Bankruptcy Court.

STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS

Increase/(Decrease) in Cash and Cash Equivalents

For the Month Ended 11/30/06

		Actual Current Month	Cumulative (Case to Date)
Cash Receipts			
1	Rent/Leases Collected		
2	Cash Received from Sales		
3	Interest Received		
4	Borrowings		
5	Funds from Shareholders, Partners, or Other Insiders		
6	Capital Contributions		
7	Management Fees Received from USA Diversified Trust Deed Fund, LLC		\$818,423
8	Management Fees Received from USA First Trust Deed Fund, LLC	\$162,824	\$371,781
9	Return of Investment		\$49,719
10			
11			
12	Total Cash Receipts	\$162,824	\$1,239,923
Cash Disbursements			
13	Payments for Inventory		
14	Selling		
15	Administrative	\$1,750	\$14,727
16	Capital Expenditures		
17	Principal Payments on Debt		
18	Interest Paid		
19	Rent/Lease:		
20	Personal Property		
21	Real Property		
22	Amount Paid to Owner(s)/Officer(s)		
23	Salaries		
24	Draws		
25	Commissions/Royalties		
26	Expense Reimbursements		
27	Other		
28	Salaries/Commissions (less employee withholding)		
29	Management Fees		\$1,027,380
30	Taxes:		
31	Employee Withholding		
32	Employer Payroll Taxes		
33	Real Property Taxes		
34	Other Taxes		
35	Other Cash Outflows:		
36	U.S. Trustee Quarterly Fees		\$5,250
37			
38	Total Cash Disbursements:	\$1,750	\$1,047,357
39	Net Increase (Decrease) in Cash	\$161,074	\$192,566
40	Cash Balance, Beginning of Period	\$154,198	\$122,706
41	Cash Balance, End of Period	\$315,272	\$315,272

STATEMENT OF CASH FLOWS
 (Optional) Increase/(Decrease) in Cash and Cash Equivalents
 For the Month Ended 11/30/06

		<u>Actual</u> <u>Current Month</u>	<u>Cumulative</u> <u>(Case to Date)</u>
	Cash Flows From Operating Activities		
1	Cash Received from Sales		
2	Rent/Leases Collected		
3	Interest Received		
4	Cash Paid to Suppliers		
5	Cash Paid for Selling Expenses		
6	Cash Paid for Administrative Expenses	\$1,750	\$14,727
	Cash Paid for Rents/Leases:		
7	Personal Property		
8	Real Property		
9	Cash Paid for Interest		
10	Cash Paid for Net Payroll and Benefits		
	Cash Paid to Owner(s)/Officer(s):		
11	Salaries		
12	Draws		
13	Commissions/Royalties		
14	Expense Reimbursements		
15	Other		
	Cash Paid for Taxes Paid/Deposited to Tax Acct:		
16	Employer Payroll Tax		
17	Employee Withholdings		
18	Real Property Taxes		
19	Other Taxes		
20	Cash Paid for General Expenses		
21	Management Fees Received from USA Diversified Trust Deed Fund, LLC		(\$818,423)
22	Management Fees Received from USA First Trust Deed Fund, LLC	(\$162,824)	(\$371,781)
23	Management Fees Paid to USA Commercial Mortgage Company		\$1,027,380
24	Return of Investment		(\$49,719)
25			
26			
27	Net Cash Provided (Used) by Operating Activities before Reorganization Items	\$161,074	\$197,816
	Cash Flows From Reorganization Items		
28	Interest Received on Cash Accumulated Due to Chp 11 Case		
29	Professional Fees Paid for Services in Connection with Chp 11 Case		\$5,250
30	U.S. Trustee Quarterly Fees		
31			
32	Net Cash Provided (Used) by Reorganization Items	\$0	(\$5,250)
33	Net Cash Provided (Used) for Operating Activities and Reorganization Items	\$161,074	\$192,566
	Cash Flows From Investing Activities		
34	Capital Expenditures		
35	Proceeds from Sales of Capital Goods due to Chp 11 Case		
36			
37	Net Cash Provided (Used) by Investing Activities	\$0	\$0
	Cash Flows From Financing Activities		
38	Net Borrowings (Except Insiders)		
39	Net Borrowings from Shareholders, Partners, or Other Insiders		
40	Capital Contributions		
41	Principal Payments		
42			
43	Net Cash Provided (Used) by Financing Activities	\$0	\$0
44	Net Increase (Decrease) in Cash and Cash Equivalents	\$161,074	\$192,566
45	Cash and Cash Equivalents at Beginning of Month	\$154,198	\$122,706
46	Cash and Cash Equivalents at End of Month	\$315,272	\$315,272